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Hostess Brands Selects Apollo Global Management and Metropoulos & Co. as Winning Bidder for Majority of Snack Cake Business, Including Twinkies(R)

- Agreement Includes Both Hostess(R) and Dolly Madison(R) Brands**
- Company to Seek Court Approval of Sale on March 19**

KANSAS CITY, Mo., March 12, 2013 /PRNewswire/ -- Hostess Brands Inc. ("Hostess Brands" or "the Company") announced that the stalking horse bid submitted by affiliates of Apollo Global Management, LLC (NYSE: APO) (collectively with its subsidiaries "Apollo") and Metropoulos & Co. ("Metropoulos") for the majority of the Company's snack cake business, which includes both Hostess® and Dolly Madison® branded products, will be the bid presented for approval to the U.S. Bankruptcy Court as no other qualified bids were received for those assets.

Apollo and Metropoulos have agreed to pay \$410 million to purchase the brands, five bakeries and certain equipment. Among the products included are the Company's Twinkies®, Ho Hos®, Ding Dongs® and Donettes® snack cakes. The Company will ask the U.S. Bankruptcy Court for the Southern District of New York to approve the transaction at a hearing on March 19.

"The agreement results in significant value for our stakeholders and we look forward to putting the proposed transaction before the Court next week," said Hostess Brands Chairman and Chief Executive Officer Gregory F. Rayburn.

As previously announced, Flowers Foods, Inc. has agreed to pay \$360 million for the majority of the bread business assets. The agreement includes, in addition to the brands, 20 bakeries, 38 depots and other assets. In a separate transaction, Grupo Bimbo, S.A.B. de C.V. ("Grupo Bimbo") was selected as the winning bidder for the assets related to the Company's Beefsteak® bread business at the conclusion of a Feb. 28 auction. Grupo Bimbo has agreed to pay \$31.9 million for the Beefsteak® assets. The Court will also consider approval of these brands at the same March 19 hearing for the Hostess® and Dolly Madison® brands.

On March 15 Hostess Brands will conduct an auction for its Drake's® snack cake business and Sweetheart®, Standish Farms®, Grandma Emilie's® and Eddy's® bread businesses. The combined stalking horse bids for those assets total approximately \$56.6 million.

Jones Day provided legal advice to Hostess Brands on all of the transactions. Perella

Weinberg Partners served as the Company's financial advisor.

About Hostess Brands

Founded in 1930, the Company's products include iconic brands such as Hostess®, Wonder®, Nature's Pride®, Dolly Madison®, Drake's®, Butternut®, Home Pride® and Merita®.

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